

## EXHIBIT A

Letter dated August 6, 2004 from Chubb Group of Insurance Companies  
to U.S. Attorney's Office,  
confirming insurance claim and payment of \$90,297,  
and

*Release and Assignment* dated July 26, 2004 from Network Appliances  
(confirming insurance payment of \$40,297.53 & deductible of \$50,000)



## CHUBB GROUP OF INSURANCE COMPANIES

### Claims Department

12 Vreeland Road, P.O. Box 975, Florham Park, New Jersey 07932-0975  
Phone: (973) 360-6000 • Facsimile: (973) 360-6450

August 5, 2004

Matt Harris  
US Assistant AG  
US Attorney's Office, Room 371  
280 S. 1st St  
San Jose, Ca. 95113

Re: Insured: Network Appliance, Inc.  
Policy: 8145-68-52/ER  
Defendant: Bernadette Escue

Dear Mr. Harris:

Federal Insurance Company is the bond carrier for Network Appliance, Inc., who has submitted a loss in the amount of \$90,297.00 resulting from theft by the principal, Bernadette Escue.

I would like this letter to be put in your file for future reference.

Should Ms. Escue be found guilty of this crime, we would appreciate your consideration of Federal Insurance Company as the entity to which restitution should be paid. I have enclosed a copy of the Release & Assignment assigning us subrogation rights.

Thank you for your time and assistance.

Very truly yours

Chubb & Son,  
A division of Federal Insurance Company

*Susanne Digby*  
Susanne M. Digby  
Fidelity Recovery Examiner  
Chubb & Son  
[shirzel@chubb.com](mailto:shirzel@chubb.com)  
(973)360-6856

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07/26/2004 16:57 FAX 93731130

OFFSITE

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Date :	June 8, 2004
Policy No. :	8145-6852
Claim Ref No. :	83552

**RELEASE AND ASSIGNMENT**

In consideration of the payment of Forty Thousand Two Hundred Ninety Seven Dollars and Fifty Three Cents (\$40,297.53), Network Appliance, Inc., on its behalf and on behalf of all of its affiliated or related entities, does hereby acquit, release and forever discharge Federal Insurance Company ("Federal") and its subsidiaries, agents, representatives and attorneys, from any and all claims, damages, costs, losses, liabilities and causes of action which it has or might hereafter acquire under any policy of insurance issued to Network Appliance, Inc., by Federal, including but not limited to Policy No. 8145-6852, which arise from or pertain to the alleged or proven loss described in the Proof of Loss received by Federal on May 21, 2004. Network Appliance, Inc.'s losses, as described in the Proof of Loss, relate to the embezzlement of money from their location in Sunnyvale, California. This release shall be broadly construed to include all claims arising from or pertaining to the events described herein in said Proof of Loss. However, Network Appliance retains the right to pursue a claim for the expenses it incurred to prove said claim.

Network Appliance, Inc. hereby assigns and sets over to Federal all its rights arising from or related to the thefts described in the Proof of Loss, including but not limited as to its rights against Bernadette Escue and/or any person or entity in any way responsible for the Network Appliance, Inc. loss.

This Release constitutes the entire agreement and understanding concerning the compromise settlement payment and agreement memorialized herein and supersedes and replaces all negotiations and all proposed agreements, whether written or oral.

Executed this 26<sup>th</sup> day of July, 2004.

Network Appliance, Inc.

By: Jenny R. K.  
 Title: Corporate Risk Manager

\$ 50,000 Deductible

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